

STATE OF KANSAS

CAPITOL BUILDING
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GOVERNOR JEFF COLYER, M.D.

MESSAGE FROM THE GOVERNOR REGARDING HOUSE SUBSTITUTE FOR SENATE BILL 109

Pursuant to Article 2, Section 14(b) of the Constitution of the State of Kansas, I hereby return House Substitute for Senate Bill 109 with my signature approving the bill, except for the items enumerated below.

Kansas Highway Patrol—Claim

Section 9 is vetoed in its entirety.

This provision would require the highway patrol to pay \$11,833.60 to an individual for the repayment of cash funds alleged to have been improperly seized and turned over to a federal agency in 1995. Adherence to the rule of law requires that such matters be properly adjudicated in the courts. The individual in question here could have sought recovery against the proper parties in the proper forums, but either failed to do so or did not do so successfully. Furthermore, the criminal history of this individual, which includes multiple felony convictions for burglary and theft, as well as drug trafficking, casts doubt upon the veracity and soundness of the claim. It would be bad precedent, and bad policy, to make this payment in this manner, especially with bill language that accuses law enforcement officers of an improper act without the benefit of due process.

Insurance Department—Insurance Department Service Regulation Fund

Section 43(b) is vetoed in its entirety.

The 2018 Legislature reduced the transfer from the Insurance Department Service Regulation Fund to the State General Fund by \$8.0 million in FY 2019. This transfer was part of the budget approved by the 2017 Legislature. I veto this transfer reduction.

Board of Indigents' Defense Services—Legal Services for Prisoners, Inc. Health Insurance

Section 44(a) and Section 45(a) legal services for prisoners are line item vetoed.

The Legislature appropriated \$25,000 from the State General Fund in both FY 2018 and FY 2019 for legal services for prisoners. Legal Services for Prisoners, Inc. is a non-profit corporation that provides legal assistance to indigent inmates of Kansas correctional institutions. The two employees of the corporation are private contractors and not state employees. Therefore,

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the state has no oversight over the corporation's health insurance plan design or selection. I therefore veto the line items that provide this funding in the bill.

Department of Commerce—Global Trade Services

Section 58(e) Global Trade Services line-item is vetoed.

The 2018 Legislature overspent resources in the Economic Development Initiatives Fund (EDIF) by \$309,802 in FY 2019, which will require reductions to balance the EDIF budget. Global Trade Services is currently funded with the Department of Commerce's EDIF Operating Grant. The Legislature created a separate line item of \$125,000 to provide enhanced funding for this program in FY 2018. However, the enhanced funding is not needed to fully fund and operate this program for the last few months of the fiscal year. Because EDIF resources are being overspent, this item is vetoed. Funding for this program will continue from the EDIF Operating Grant in FY 2018.

Department of Commerce—Kansas International Trade Show Assistance

Section 58(e) and Section 59(a) Kansas International Trade Show Assistance line-items are vetoed.

The 2018 Legislature overspent resources in the EDIF by \$309,802 in FY 2019, which will require reductions to balance the EDIF budget. Kansas International Trade Show Assistance is currently funded with the Department of Commerce's EDIF Operating Grant in both FY 2018 and FY 2019 and the Legislature created separate line items of \$50,000 in FY 2018 and \$127,000 in FY 2019 to fund this program. Because EDIF resources are being overspent, these items are vetoed. Funding for this program will continue from the EDIF Operating Grant in both FY 2018 and FY 2019. The Legislature added additional funding for this program in FY 2019; however, the enhanced funding is not needed to fully fund and operate this program.

Department of Commerce—Innovation Growth Program

Section 59(a) Innovation Growth Program line-item is vetoed.

The 2018 Legislature overspent resources in the EDIF by \$309,802 in FY 2019, which will require reductions to balance the EDIF budget. The Legislature created a new line item of \$65,643 in FY 2019 for the Innovation Growth Program. The Department of Commerce previously operated this program; however, funding was eliminated in FY 2016. Because EDIF resources are being overspent, this item is vetoed.

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Department of Health and Environment—PRTF 60 Day Admission Policy

Section 67(i) & 68(i) are vetoed in their entireties.

The Mental Health Parity Act prohibits states from imposing conditions or limits on mental health services that are not imposed on physical health services. Instead, medical necessity should be determined and if a mental health service is deemed necessary, the state is required to cover it. In October 2015, the Department for Aging and Disability Services discontinued its policy of requiring mental health screenings prior to admission to inpatient psychiatric beds at community hospitals and residential treatment facilities. The screenings were discontinued in response to the potential loss of federal funding as outlined in the Mental Health Parity Act. This administration is working on Psychiatric Residential Treatment Facility (PRTF) issues and is aware of concerns with length of stays at PRTFs. The administration will continue to work with the Kansas Department of Health and Environment, the Kansas Department for Aging and Disability Services and the Mental Health Task Force to resolve any issues. While the cost may be justified by the benefits to be obtained from the screenings, approving this provision could additionally jeopardize substantial federal funding of inpatient Medicaid services. I therefore veto these sections of the bill.

Department of Health and Environment—KanCare Funding

The portion of Section 68(a) that reads as follows is line item vetoed:

Provided, however, That during fiscal years 2018 and 2019, if any new eligibility requirements or limitations are imposed by any state agency to receive state medicaid services under the Kansas medical assistance program, then on the effective date of such imposition, the amounts appropriated for the department of health and environment – division of health care for the fiscal year ending June 30, 2019, by section 95(a) of chapter 104 of the 2017 Session Laws of Kansas and this act from the state general fund in the other medical assistance account are hereby lapsed.

Section 118 of this bill addresses the Legislature's concerns with potential changes to the KanCare Program; this proviso is not necessary.

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Department for Children and Families—Jobs for America’s Graduates-Kansas

Section 74(e) is vetoed in its entirety.

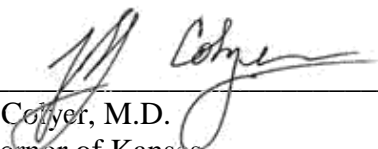
Jobs for America’s Graduates-Kansas (JAG-K) is a program that targets children at-risk of failing in school by offering in-class instruction, mentoring, leadership development and job and postsecondary placement to participants. JAG-K is funded entirely with funding received from the Federal Government through the Temporary Assistance for Needy Families Block Grant; no state funds are used for the program. The Temporary Assistance for Needy Families Fund has a history of having no expenditure limitation placed upon it and there is no recent history of placing an expenditures limitation upon the JAG-K Program. This section would place an expenditure limitation totaling \$5.8 million upon the JAG-K Program in FY 2019. Limiting funding for the JAG-K Program could prevent the agency from providing assistance to at-risk children that would otherwise qualify to participate in the program; therefore, I veto this section to allow the agency flexibility to assist more at-risk children if given the opportunity.

Kansas Highway Patrol—Troop B Building

Sections 100 (b), 100 (c) and 100(d) are vetoed in their entirety.

The Kansas Highway Patrol currently leases the land and improvements comprising the Troop B headquarters located in Shawnee County. Lease payments have been made from a Federal Forfeiture revenue stream. While there is a concern that this funding resource may be discontinued in the future, funds are available presently to cover lease payments. The option to purchase could be reviewed at such time Federal Forfeiture funds are no longer sufficient to cover lease obligations. Continuing with a lease arrangement that provides maintenance is desirable over purchasing and adding the responsibility of ongoing maintenance. In addition, this veto prevents an increase in the state’s outstanding debt. The funds used for debt service of the bonds to purchase the facility were to be financed from the State Highway Fund. As a result of this veto, the State Highway Fund will have an additional \$300,000 for highway projects.

Dated: May 15, 2018



Jeff Colyer, M.D.
Governor of Kansas